

Senate File 423 - Introduced

SENATE FILE _____
BY COMMITTEE ON ENVIRONMENT
AND ENERGY INDEPENDENCE

(SUCCESSOR TO SSB 1254)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for the dispensing of ethanol blended gasoline
2 by authorizing the use of secondary containment, and providing
3 an effective date.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 2220SV 83
6 da/rj/5

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1 1 Section 1. Section 455G.31, subsections 2 and 3, Code
1 2 2009, are amended to read as follows:
1 3 2. A retail dealer may use gasoline storage and dispensing
1 4 infrastructure other than a dispenser to store and dispense
1 5 ethanol blended gasoline classified as E=9 or higher if ~~all of~~
~~1 6 the following apply:~~
1 7 a. ~~For gasoline storage and dispensing infrastructure~~
~~1 8 other than the dispenser,~~ the department of natural resources
1 9 under this chapter or the state fire marshal under chapter 101
1 10 ~~must determine~~ determines that it is compatible with the
1 11 ethanol blended gasoline being used.
1 12 b. ~~(1) For a 3. A retail dealer may use a dispenser, all~~
~~1 13 of the following shall apply to dispense ethanol blended~~
~~1 14 gasoline classified as E=9 or higher if any of the following~~
~~1 15 applies:~~
1 16 ~~(a) a. (1) The dispenser must be is listed by an~~
1 17 independent testing laboratory as compatible for use with
1 18 ethanol blended gasoline classified as E=9 or higher. In
~~1 19 addition,~~
1 20 ~~(b) The owner or operator or a person authorized by the~~
~~1 21 owner or operator must the retail dealer must~~ visually inspect
1 22 the dispenser and the dispenser sump daily for leaks and
1 23 equipment failure and maintain a record of such inspection for
1 24 at least one year after the inspection. The record shall be
1 25 located on the premises of the retail dealer and shall be made
1 26 available to the department of natural resources or the state
1 27 fire marshal upon request. If a leak is detected, the
1 28 department of natural resources shall be notified pursuant to
1 29 section 455B.386.
1 30 (2) The state fire marshal shall issue an order as soon as
1 31 practicable after determining that a commercially available
1 32 dispenser is listed as compatible for use with E=85 gasoline
1 33 by an independent testing laboratory. The state fire marshal
1 34 shall publish the order in the Iowa administrative bulletin.
1 35 A person shall not install a dispenser which would otherwise
2 1 be permitted under subparagraph (1) after sixty days following
2 2 the date that the order is published. A person who installed
2 3 such dispenser before the sixty-day period expired may use the
2 4 dispenser as provided in subparagraph (1) until four years
2 5 after the date that the order is published.
2 6 3- (3) This ~~section paragraph "a"~~ is repealed four years
2 7 following the date that the order issued by the state fire
2 8 marshal is published in the Iowa administrative bulletin as
2 9 provided in ~~this section subparagraph (2).~~
2 10 b. (1) The dispenser's manufacturer has submitted the
2 11 dispenser to an independent testing laboratory to be listed as
2 12 compatible for use with E=85 gasoline. In addition, the
2 13 retail dealer must install an under=dispenser containment
2 14 system with electronic monitoring. The under=dispenser

2 15 containment system shall comply with applicable rules adopted
2 16 by the department of natural resources and the state fire
2 17 marshal.

2 18 (2) If within ten years from the date that a dispenser
2 19 described in subparagraph (1) is installed, the same class of
2 20 dispenser is listed as compatible for use with E=85 gasoline
2 21 by an independent testing laboratory, the dispenser shall be
2 22 deemed as compatible for use with ethanol blended gasoline
2 23 classified as E=9 or higher up to and including E=85 by the
2 24 department of natural resources and the state fire marshal.
2 25 However, if after that time, the same class of dispenser is
2 26 not listed as compatible for use with E=85 gasoline by an
2 27 independent testing laboratory, subparagraph (1) no longer
2 28 applies, and the retail dealer must do any of the following:

2 29 (a) Upgrade or replace the dispenser as necessary to be
2 30 listed as compatible for use with E=85 gasoline.

2 31 (b) Comply with the requirements in paragraph "a".

2 32 Sec. 2. EMERGENCY RULEMAKING. The department of natural
2 33 resources and the state fire marshal shall adopt emergency
2 34 rules under section 17A.4, subsection 3, and section 17A.5,
2 35 subsection 2, paragraph "b", to implement the provisions of
3 1 this Act and the rules shall be effective immediately upon
3 2 filing unless a later date is specified in the rules. Any
3 3 rules adopted in accordance with this section shall also be
3 4 published as a notice of intended action as provided in
3 5 section 17A.4.

3 6 Sec. 3. EFFECTIVE DATE. This Act, being deemed of
3 7 immediate importance, takes effect upon enactment.

3 8 EXPLANATION

3 9 Under current law, a retail dealer engaged in the business
3 10 of storing and dispensing motor fuel may dispense ethanol
3 11 blended gasoline containing a high content of ethanol,
3 12 including E=85, using special infrastructure, including a
3 13 motor fuel pump (dispenser) that is listed by an independent
3 14 testing laboratory.

3 15 This bill provides an alternative that would allow the use
3 16 of a dispenser, if its manufacturer has submitted it to an
3 17 independent testing laboratory to be listed as compatible for
3 18 use with E=85 gasoline, and the retail dealer installs an
3 19 under-dispenser containment system with electronic monitoring.
3 20 The retail dealer has 10 years to use the alternative. After
3 21 that time the dispenser must be listed by an independent
3 22 testing laboratory as compatible for use with E=85 gasoline.

3 23 The bill requires the department of natural resources and
3 24 the state fire marshal to adopt emergency and regular
3 25 (double-barreled) rulemaking in order to implement the bill's
3 26 provisions.

3 27 The bill takes effect upon enactment.

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